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COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS

REGIONAL COOPERATION FRAMEWORK FOR THE ASIA AND PACIFIC REGION, 1997-2001

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I. INTRODUCTION

1. The first regional cooperation framework (RCF) for Asia and the Pacific is the culmination of an extensive consultation process, which began with the mid-term review of the fifth intercountry programme (1992-1996) and included consultations at the country level with Governments, United Nations specialized agencies, non-governmental organizations (NGOs) and other partners. The regional development cooperation meeting, involving Governments and United Nations specialized agencies (held in March 1995 in Kuala Lumpur, Malaysia) endorsed the joint issues paper and adopted a broad framework for the formulation of the RCF.

2. In September 1995, there was a second consultation with the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) and the United Nations specialized agencies in Geneva. In March 1996, a paper was prepared on development challenges facing the region and used by UNDP country offices for national dialogues with Governments, civil society organizations, academia, and donors.

3. Further, during September and October 1996, consultations on the draft RCF were held at the intergovernmental level through four subregional forums in West and South Asia, South-East Asia, North-East Asia, and the Pacific to examine the major themes and propose regional and subregional initiatives for UNDP support. Finally, in October 1996, there was a third round of consultations with ESCAP and United Nations specialized agencies in Bangkok, Thailand, after which the draft RCF was revised in November 1996.

4. The RCF itself should be viewed as part of a broader agenda for intercountry cooperation being pursued by other parts of the United Nations system. In particular, the many important consultative activities of ESCAP and its committees can be seen as a valuable complement to the activities of the RCF, helping to identify opportunities for intercountry cooperation, and validating ongoing activities. UNDP is fostering a closer relationship with the Asian Development Bank, which also supports an active programme of intercountry cooperation.

II. DEVELOPMENT SITUATION FROM A SUSTAINABLE HUMAN DEVELOPMENT PERSPECTIVE

5. Countries in the region are clearly committed to the implementation of the decisions and recommendations of a series of global summits that have featured the evolution of international development perspectives and policies in recent years. These global summits were preceded by high-level regional meetings that enabled specific concerns of the region to be reflected in global decision-making. Commitments made by Governments at the United Nations Conference on Environment and Development (UNCED) in 1991, the International Conference on Population and Development (ICPD) in 1994, the World Summit for Social Development (WSSD) in 1995, and the Fourth World Conference on Women (FWCW) in 1995, and at Habitat II in 1996, have a major continuing influence on national development agendas and on priorities for the regional cooperation framework.

A. Sustainable and equitable growth

6. A marked feature within the overall economic framework of the region has been the general adoption by almost all countries of market-oriented economic policies. A decade ago, the vast proportion of the region's population lived in countries whose economies were either centrally planned or highly regulated. These changes are creating a major impact on the lives of people and in the relationships between government, private sector and civil society organizations. On the negative side, people, particularly the poor and vulnerable, are losing their accustomed anchorages.

7. Annual economic growth rates for the region have averaged more than 7 per cent in recent years, though varying from over 9 per cent for some countries in North and East Asia to about 1 per cent for some Pacific Island countries. There are significant gaps in per capita income between East Asian and North Asian economies on the one hand, and South Asian and most Pacific Island economies, on the other. There are also marked disparities within most countries, with economic prosperity still confined to a minority of their population. Nearly 800 million, or over 30 per cent of the total number of people in the region, still live in conditions of absolute poverty; these people have not benefited from the circumstances that have accompanied the processes of economic growth.

8. Trade and investment have propelled the region's economic growth. The multilateral regimes of the World Trade Organization have introduced a new and critical element that now influences the direction of economic adjustment. There is growing economic interdependence within the region. Nearly half the trade of the region, and an increasing share of foreign investment, is intraregional although the intensity of such transactions varies between groups of countries. Most intraregional trade is accounted for by the dynamic North, South East and East Asian economies. Increasing intraregional trade opportunities offer important prospects to link poorer economies with the regional mainstream.

B. The human development record

9. The recent economic dynamism of the region has not in all cases led to commensurate achievements in human development. Basic human development indicators have improved in the last 20-30 years, but these advances have been uneven. Enormous numbers of people remain in poverty and continue to live at low levels of human development. Poverty takes many forms and is defined not only by low per capita gross national product but also by inadequate access to and control over basic social and economic resources and opportunities that can develop the human capabilities necessary to participate in and contribute to society.

10. Basic social services, including health services, education, safe water and sanitation still do not reach a great majority of the poor. Public expenditure on health as a percentage of gross domestic product (GDP) in South Asia, South-East Asia and the Pacific remains below that of all developing countries. Low

rates of literacy also persist, with government expenditure on education actually decreasing as a percentage of GDP. Among the many health challenges in the region, HIV infection is estimated as of mid-1996 to have affected 4.75 million adults out of a global total of 21.8 million, and are projected to increase to 10.6 million by the year 2000 if preventive action is not taken. Exposure and susceptibility to the disease often increase with conditions of poverty and social and economic marginalization, where access to resources and employment opportunities are limited. Rapid industrialization in the cities and inadequate emphasis on rural development has encouraged migration, which has exacerbated the problems of urban poverty.

11. An important issue for poverty eradication and sustainable development is promoting gender equality and the status of women as outlined in the commitments of the FWCW, ICPD and WSSD. Women experience discrimination in different dimensions. Health indicators, adult literacy rates, combined gross enrolment ratios, and the percentage share of earned income are consistently lower for women than for men in most countries in the region. In South Asia, life expectancy is lower than in all other regions, excepting sub-Saharan Africa, and nearly two thirds of women are illiterate, with wide gender gaps in primary and secondary school enrolment. Equality in political representation and participation, legal rights and access to and control over economic resources and assets are yet to be achieved. The economic contributions of women in the market, household, community and subsistence sectors are important but undervalued by society and unrecognized by national and international labour statistics. Women comprise approximately 80 per cent of the workforce in the export processing zones in East and South-East Asia but a large wage differential persists between women and men in all countries. Key employment challenges for women vary by subregion: for women in East and South-East Asia, the issue is lack of economic empowerment; for women in South Asia, employment is a matter of basic survival; and for women in the South Pacific, employment is constrained by the limitation of small island economies.

C. Environment and natural resource management

12. In all countries, including the dynamic economies of East and South-East Asia, there have been growing environmental problems associated with industrialization and urbanization. The region has been subject to high levels of environmental degradation and unsustainable use of natural resources. This has meant mounting health costs and mortality due to the lack of clean water and sanitary conditions, reduced output in resource-based sectors, irreversible loss in biodiversity, and an overall qualitative deterioration of the environment. Rapid industrialization and high population growth foreshadow an urgent need for the development of sustainable, clean and efficient energy in the near future. In keeping with the commitments made at UNCED, sustainable energy sources available to the poor in particular will be necessary to break the vicious circle of poverty and environmental degradation.

13. The region has about 20 to 25 per cent of the earth's plant species. Many of these, like the rich variety of fauna in tropical forests, are under serious threat. Wetlands, grasslands, marine resources, are all threatened in many countries. Between 1981 and 1990, the highest rates of deforestation in the

world were in continental South-East Asia and deforestation is proceeding at the rate of 1 per cent to 2 per cent in most countries. Several of the Pacific countries are also witnessing unsustainable logging rates. The rapid exploitation of natural resources threatens the region's biodiversity and the availability of these valuable environmental resources to future generations.

14. Soil degradation, water scarcity, insufficient access to technological resources and continued poverty all contribute to the lack of food security, especially for the poor. As the benefits from the green revolution level off, international, regional and local farming technologies and practices aiming to increase agricultural productivity while ensuring agricultural sustainability, will play a large role in bolstering overall food security. It is also important to focus attention on intra-household food security. For poor women and girl children, who often have less access to food within households, food security is ensured not by increased production but by gains in purchasing power and in equality of access within the household.

15. Air pollution has reached dangerously high levels, especially in Asian megacities. The region is also now emerging as a major contributor to global greenhouse gases. The Asia and Pacific region was responsible for 20 per cent of worldwide emissions of greenhouse gases in 1985 and this figure is projected to rise to between 25 per cent and 30 per cent by the year 2000. The goals and commitments of UNCED and the Montreal Protocol call for an end to further degradation by greenhouse gases. Pollution of fresh and marine water has also become a major environmental problem. Asian rivers are badly polluted and renewable fresh water resources are dwindling. In Pacific countries, overuse of groundwater is affecting the availability of drinking sources. In compliance with the UNCED commitments, regional and subregional cooperation is called upon to combat the degradation of the marine environment and fresh water resources.

16. The practice of environmental management is a relatively new field with great potential to enhance the efficient use of resources and understand future impacts. There are lessons to be learned from indigenous communities on conservation and use of natural resources. The participation and involvement of the users, consumers and those directly affected by the use of natural resources and its by-products is a key factor for sound environmental management.

III. RESULTS AND LESSONS OF PAST INTERCOUNTRY COOPERATION

17. Many important achievements of intercountry cooperation can be observed at regional and subregional levels. UNDP has consistently supported the Association of South-East Asian Nations, and more recently, the South Asian Association for Cooperation has been assisted in its poverty eradication strategy. Similarly, there has been support to the South Pacific Forum. UNDP cooperation has enabled these subregions to develop policies, strategies and institutions in many aspects of development. As a trusted and neutral partner, UNDP has facilitated the birth of the Mekong Commission through its intercountry programmes. In North-East Asia, UNDP cooperation has led to a historic intergovernmental agreement to establish the institutional foundations in the Tumen River region. The fifth intercountry programme in particular has facilitated the establishment of many technical constituencies and networks

(such as macroeconomic research, trade training institutions, pesticides and remote sensing). In many areas, important arrangements for technical cooperation among developing countries (TCDC) have been established.

18. The regional development cooperation meeting of March 1995, while recognizing the contributions of intercountry programmes, called for appropriate criteria for selection of intercountry activities such as sharing natural, technical and financial resources; transboundary issues; and common and interlinked problems. It has also been observed that there is a clear preference for subregional and country cluster approaches to intercountry programming, so that Governments have a much stronger sense of ownership of programmes and also ensure stronger linkages to national programmes. The Asia and Pacific region-wide programmes tend to be burdened with major problems of coordination and need to be used selectively in appropriate circumstances. While the fifth intercountry programme emphasized TCDC, the experience clearly indicates that further action is required to improve its quality.

19. The wide-ranging mid-term review of the fifth intercountry programme, undertaken at the end of 1994, constitutes an important landmark in the assessment and future evolution of intercountry programmes for the region. Its conclusions and recommendations were endorsed by the regional development cooperation meeting. It also led to the restructuring of several programmes in mid-stream - those for trade, transport, and energy, in particular. In view of the comprehensive nature of the mid-term review, the timetable for evaluation of individual programmes was adjusted. Six or seven major evaluations of individual programmes are now expected to be undertaken in 1997.

IV. PROPOSED STRATEGY AND THEMATIC AREAS

A. Overall strategy and programming criteria

20. The RCF programmes are designed to add value to national priorities and programmes of action. They will address the major development challenges facing the countries of the region and will be consistent with the major global programmes and priorities of UNDP. They will draw on the rich and diverse intellectual and technical resources of the region and seek to mobilize the growing financial capacities within it, stimulating and further developing regional partnerships and cooperation within the Asia and the Pacific region through a sustainable human development perspective.

21. In the light of the experience gained from UNDP sponsorship of regional cooperation, the Governments of the region have advised that programme initiatives should draw on the following operational principles and criteria:

(a) Themes. Programmes should contribute centrally to the achievement of the objective of their respective thematic area. They will also address cross-cutting themes of poverty, gender, employment, science and technology and environment;

(b) Regional quality. In order to remain quite distinct from country-based programmes while being complementary to them, RCF projects should

conform to the following criteria: promote the sharing and/or joint management of resources; be transboundary in nature; contribute to or promote regional regimes, norms and policies; foster research that cannot be adequately or effectively undertaken nationally; create or sustain networks and contacts among governmental and non-governmental organizations in different countries of the region;

(c) Global links. Programmes should actively seek linkages to global and interregional initiatives as well as build on national programmes to establish clear UNDP (and United Nations system) approaches to major issues as reflected in the work of the international conferences of the past several years;

(d) Regional capacity. Programmes should help to develop capacity through new or existing national or regional organizations, and should draw, whenever possible, on region-based expertise;

(e) Emerging needs. Programmes should help countries of the region to respond to the challenges generated by rapidly evolving development needs.

B. Programme areas

22. The RCF is organized around three thematic programme areas: human development and equity; environment and natural resource management; and enabling economic environments and public policy. The three themes constitute as a whole the major components of sustainable human development. The first addresses human development explicitly; the second addresses the sustainability of development from the viewpoint of natural resources and the environment; the third addresses sustainability from the viewpoint of economic dynamism and supporting policies and institutions. The four cross-cutting areas of focus for UNDP - poverty eradication, advancement of women, employment creation and environment and natural resource management will be integrated in all three thematic programme areas. In particular, gender issues will be addressed through stand-alone programmes and through the inclusion of gender components within other programmes.

23. As clearly emerged from the consultations with Governments during the preparation of the RCF, these three themes correspond closely to national priorities and reflect the development challenges currently faced by the region. The proposed programme areas therefore do not encompass the full gamut of development concerns but emphasize those that are more amenable to productive intercountry approaches and that have been specifically endorsed by Governments as means of supporting national efforts. Each of the following three thematic areas highlights the programming priorities indicatively at regional and subregional levels, which will provide the basis for more detailed programme formulation.

Theme I. Human development and equity

Objective: to assist countries to define new and strengthen existing approaches and modalities permitting them to minimize existing and emerging disparities in capacities and livelihoods.

24. At the regional level, programmes will: develop poverty and human development indicators and monitoring systems (follow-up to WSSD); provide support to national human development reports in countries that have requested them; address problems of urban poverty by developing partnerships among local authorities, civil society and the private sector (follow-up to Habitat II); address specific concerns of gender and equality (follow-up to FWCW); promote collaboration amongst women scientists and technologists.

25. At the subregional level, programmes will: support specific common concerns with respect to poverty eradication in the context of economic liberalization, transition and globalization (South Asia, Pacific); address transboundary and cross-border concerns with respect to population movements (South-East Asia; greater Mekong subregion); address common concerns in respect of HIV/AIDS (South Asia, South-East Asia, greater Mekong subregion, Pacific); build capacity for strategic labour-force planning (Pacific).

26. Linkages will be established with the UNDP global programmes on urban management, on poverty and sustainable livelihoods, on gender (in collaboration with the United Nations Development Fund for Women) and on HIV/AIDS.

Theme II. Environment and natural resource management

Objective: to facilitate transboundary cooperation in the management of water, air and other commonly shared environmental resources.

27. At the regional level, programmes will: support the global water partnership initiated by UNDP and the World Bank, which builds capacity for integrated water management policies and stimulates local investment in water facilities to serve the poor.

28. At the subregional level, programmes will: address critical transboundary issues in the management of riverine resources and promote cooperative intercountry arrangements (Mekong); develop cooperative arrangements in respect of coal-based energy and transboundary air pollution problems (North-East Asia); develop cooperative arrangements in respect of biodiversity and wetlands (South-East Asia); address critical environmental problems in marine coastal areas (South-East Asia, North-East Asia, Pacific); strengthen capacities for disaster preparedness (Pacific).

29. Intercountry programmes under this theme will be entirely complementary with, but will not duplicate, the intercountry programmes supported by the Global Environment Facility (GEF). Intercountry resources will be used to support the identification by concerned countries of projects that could be submitted for GEF consideration.

Theme III. Enabling economic environment and public policy

Objective: to assist countries to design and implement policies and practices to take advantage of changing economic and social conditions in particular through a substantive and managerial integrating mechanism that will enable the synchronization of many activities under the RCF, wherever they are undertaken.

30. At the regional level programmes will: address international trade and investment issues in the context of globalization and new global regimes; promote exchange of experience among countries in transition through existing networks; connect governmental organizations and NGOs to the global information infrastructure in order to facilitate exchange of communications and information. There will be an innovative central facility to facilitate activities in emerging areas. Action will be initiated in large measure by countries themselves. The five components will be: research to focus on cross-cutting issues based on regional experience; networks and partnerships to facilitate exchange of experience among policy makers, experts, parliamentarians, and academics; country initiatives to support intercountry cooperation identified by individual countries or groups of countries; extraregional initiatives to facilitate links with key extraregional institutions (Action Programme for Economic Cooperation, Indian Ocean Forum, Economic Cooperation Organization) and new cooperation arrangements; media publications and programme support will enable efficient systems of management for all programmes and provide a high profile and wide dissemination of outputs, and increase impact.

31. At the subregional level, programmes will: support investment promotion, trade facilitation and integrated planning in growth triangles (North-East Asia, South-East Asia, South Asia); stimulate trade and investment and create an enabling legislative and policy environment for entrepreneurship (Pacific, South Asia); facilitate international transport networks (North-East Asia, South-East Asia); enhance job creation and sustainable livelihoods by strengthening social and institutional dimensions of economic and financial reform (Pacific).

V. MANAGEMENT ARRANGEMENTS

A. Execution and implementation

32. Programmes will be formulated at both the regional and subregional level. Regional programmes will be appraised through the Bureau Programme Advisory Committee process, and subregional programmes will be approved at the subregional level. Programmes under the RCF will follow the principle of national execution insofar as implementation will be under the collective control of Governments, either through formal arrangements, where strong intergovernmental arrangements exist (e.g., ASEAN, Mekong River Commission), or through regional institutions, or more informally through networks or other arrangements. In the latter case, execution will be undertaken by the United Nations Office for Project Services or United Nations specialized agencies. In all cases, the UNDP country office - through the Principal Project Resident Representative (PPRR) - in the country or countries where each programme is principally located will have primary responsibility for the day-to-day

supervision and monitoring of intercountry programmes. To ensure greater efficiency in the more decentralized management system introduced by UNDP, PPRRs will also be equipped with the necessary technical and financial resources, including vastly improved information technology facilities. Advisory panels will be set up for programmes to ensure that cutting-edge thinking of academics and concerns of policy makers and civil society in the region are taken into account.

33. Programmes will also be implemented on the partnership principle. Through the associated agency modality, ESCAP and individual United Nations specialized agencies will be encouraged to provide different technical inputs to the same programmes; through subcontracting, programmes will seek to involve NGOs, universities, research and training institutes in implementation. Programmes will also seek to use the services of the United Nations Volunteers programme and the United Nations International Short-term Advisory Resources.

B. Monitoring, review and reporting

34. Each programme will establish appropriate indicators during the preparatory assistance phase. Benchmarks and progress indicators will focus on the quality of the processes of capacity-building and of outputs. These indicators will be used to monitor programme implementation, respond to a changing programme environment, realign activities as appropriate, and measure the impact of programmes. These indicators should be quantifiable to the extent possible.

35. There will be annual tripartite reviews of individual programmes and a mid-term review of the RCF during 1999. A report on the mid-term review will be submitted to the Executive Board. The annual review meetings will focus, in accordance with procedures for the programme approach, on appraising progress during the current year, on proposed workplans for the following year and on budget requirements. To ensure good financial management in line with the rolling three-year financial framework, available budgets for each programme for the following year will be communicated to the programme executing agency, and the PPRR prior to the annual review. Workplans will be formulated within the financial envelope available (including all sources of funds).

36. The PPRRs will have the responsibility of reporting formally to the Regional Bureau for Asia and the Pacific every six months on the progress of programmes. More importantly, the system to be put in place for information-sharing by programmes will be implemented by each programme, monitored by the PPRR and supported by the New Initiatives Programme. Whenever feasible, the information flows will be facilitated by linkages through the Internet and e-mail groups. In order to reach audiences outside UNDP and the partners directly involved in the programme, World Wide Web home pages, videos and other dissemination media will be used by individual programmes.

C. Resource mobilization

37. Additional resources will be mobilized from many sources - GEF, the Montreal Protocol, Capacity 21, other United Nations specialized agencies, donor

countries outside the region, traditional and non-traditional donors in the region, and from programme countries. Resources will be mobilized in relation to an individual programme or a particular activity or set of activities within it. Resource mobilization will be an essential part of developing participatory approaches, and enhancing commitment and ownership by countries in the region. Resource mobilization efforts will be concentrated during the development stages of new programmes (mainly in 1997) in order to provide for the participation by all beneficiaries and partners in programme design and to help to build a stronger sense of involvement among all partners.

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Annex

RESOURCE MOBILIZATION TARGET TABLE FOR
ASIA AND THE PACIFIC, 1997-2001

(in thousands of United States dollars)

SOURCE	AMOUNT	COMMENTS
UNDP CORE FUNDS		
IPF carry-over	5 896	
LINE 1.2	111 970	
SPPD/STS	5 950	
Subtotal	123 816	
NON-CORE FUNDS		
Government cost-sharing	2 000	
Sustainable development funds[a]	700	Global Environment Facility
Third-party cost-sharing	4 000	
Funds, trust funds and other[b]	4 000	Trust Funds: Danish Govt-$1,250 ROK Govt-$1,000
Subtotal	10 700	
TOTAL	134 516	

[a] Specify and list separately (e.g., GEF, Montreal Protocol, UNSO).

[b] Abbreviations: GEF = Global Environment Facility; IPF = indicative planning figures; SPPD = support for policy and programme development; STS = support for technical services; TCDC = technical cooperation among developing countries; TRAC = target for resource assignment from the core; UNCDF = United Nations Capital Development Fund; UNIFEM = United Nations Development Fund for Women; UNV = United Nations Volunteers; and UNSO = Office to Combat Desertification and Drought (previously the United Nations Sudano-Sahelian Office, now part of the UNDP Bureau for Policy and Programme Support).